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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK		
	X	
RHINESTONE JEWELRY CORPORATION,	:	
Plaintiff,	:	
-against-		No
CRYSTAL CROWN, INC., ERNEST SNELGROVE JR., GERALDINE SNELGROVE and JOHN DOES 1-10	:	
Defendants.	:	
	X	

# **COMPLAINT**

Plaintiff Rhinestone Jewelry Corporation, by its attorneys, Cowan, Liebowitz & Latman, P.C., for its Complaint against Defendants 183 Webb, alleges:

#### **NATURE OF THE ACTION**

This is a civil action for copyright infringement in violation of the Copyright Act,
 U.S.C. § 101 et seq.

## **PARTIES**

Plaintiff Rhinestone Jewelry Corporation ("Rhinestone") is a New York
 corporation with its principal place of business at 2028 McDonald Avenue, Brooklyn, New York
 11223.

- 3. Since 1991, Rhinestone, a family-owned company, has been engaged in the business of designing, creating, and selling costume jewelry, including tiaras, crowns and pageant jewelry.
- 4. Upon information and belief, Defendant Crystal Crown, Inc. ("CCI") is a Mississippi corporation with its principal place of business at 183 Webb Davis Road, Lucedale, Mississippi 39452.
- 5. Upon information and belief, Defendant Ernest Snelgrove Jr. is the President of CCI, and is a moving, active and conscious force behind CCI.
- 6. Upon information and belief, Defendant Geraldine Snelgrove is the Director, Secretary and Vice President of CCI, and is a moving, active and conscious force behind CCI.
- 7. Upon information and belief, Defendants John Does 1-10 are individuals who have engaged and participated, directly or contributorily, in the unlawful acts set forth herein. The true identities of Defendants John Does 1-10 are not presently known to Rhinestone. Rhinestone will amend its complaint upon discovery of the identities of such Defendants.
- 8. Upon information and belief, Defendants are engaged in the business of importing, selling and distributing costume jewelry including crowns, tiaras, and pageant jewelry.

## **JURISDICTION AND VENUE**

- 9. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338.
- 10. This Court has personal jurisdiction over Defendants because, on information and belief, Defendants, in person or through an agent

- (a) have transacted business, and have contracted to supply goods, in New York, including through a highly interactive website located at <a href="stores.crystalcrown.com">stores.crystalcrown.com</a>, on which merchandise is offered for sale to New York consumers; and/or
- (b) (i) have committed the infringing acts described herein, causing injury to Rhinestone in New York, and (ii) expect or reasonably should expect their infringing acts to have consequences in New York, and (iii) derive substantial revenue from interstate or international commerce.
- 11. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and (c).

#### RHINESTONE'S COPYRIGHTED JEWELRY DESIGNS

- 12. Rhinestone products are advertised and sold throughout the United States.
- 13. Rhinestone's business is built in large part on its original jewelry designs, which are created in-house as works made for hire by Rhinestone's employees, at substantial expense, in an ongoing effort to appeal to existing and potential customers in the highly competitive costume and pageant jewelry industry.

## Rhinestone Jewelry Design No. 13578

- 14. In 2006, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 13578, and in the same year Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 13578.
- 15. Rhinestone Jewelry Design No. 13578 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-401-097, with an effective date of February 21, 2007.

## Rhinestone Jewelry Design No. 13134

- 16. In 2005, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 13134, and in the same year Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 13134.
- 17. Rhinestone Jewelry Design No. 13134 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-880-570, with an effective date of July 30, 2013.

# Rhinestone Jewelry Design No. 13132

- 18. In 2005, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 13132, and in the same year Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 13132.
- 19. Rhinestone Jewelry Design No. 13132 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-652-059, with an effective date of November 11, 2008.

## Rhinestone Jewelry Design No. 12740

- 20. In 2002, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 12740, and in 2003 Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 12740.
- 21. Rhinestone Jewelry Design No. 12740 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-638-809, with an effective date of March 17, 2008.

# Rhinestone Jewelry Design No. 12742

- 22. In 2003, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 12742, and in the same year Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 12742.
- 23. Rhinestone Jewelry Design No. 12742 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-638-818, with an effective date of March 17, 2008.

# Rhinestone Jewelry Design No. 14088

- 24. In 2006, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 14088, and in the same year Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 14088.
- 25. Rhinestone Jewelry Design No. 14088 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VA 1-648-031, with an effective date of September 17, 2008.

# Rhinestone Jewelry Design No. 15203

- 26. In 2009, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 15203, and in 2010 Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 15203.
- 27. Rhinestone Jewelry Design No. 15203 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VAu 998-999, with an effective date of August 26, 2009.

# Rhinestone Jewelry Design No. 15202

- 28. In 2009, Rhinestone's in-house designer created an original jewelry design designated as Jewelry Design No. 15202, and in 2010 Rhinestone began to sell and distribute jewelry products in Jewelry Design No. 15202.
- 29. Rhinestone Jewelry Design No. 15202 is registered in Rhinestone's name at the United States Copyright Office under Registration No. VAu 998-999, with an effective date of August 26, 2009.

#### RHINESTONE PHOTOGRAPHS

- 30. As an essential part of its business Rhinestone creates original photographs that depict, in an esthetically pleasing manner, products offered for sale by Rhinestone.
- 31. Rhinestone's original photographs are created in-house by Rhinestone employees as works made for hire, and are displayed on Rhinestone's website www.rhinestonejewelry.com and in brochures and other promotional materials distributed to the public.
- 32. Rhinestone is, and at all relevant times has been, the owner of the copyrights in its original photographs.
- 33. Rhinestone's copyrights in its original photographs are registered in Rhinestone's name at the United States Copyright Office under, *inter alia*, Registration No. VA 1-905-178, with an effective date of August 1, 2013.

#### **DEFENDANTS' INFRINGEMENTS**

34. Upon information and belief, Defendants have promoted, advertised, sold and distributed, through their website <u>stores.crystalcrown.com</u>, jewelry products bearing designs that

are copied from and are substantially similar to the above-described copyrighted designs (the "Rhinestone Jewelry Designs"):

(a) A product designated as "AS04" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 13578:



Rhinestone Jewelry Design No. 13578 U.S. Registration No. VA 1-401-097



(b) A product designated as "TS0290" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 13134:



(c) A product designated as "TS12-499" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 13132:



(d) A product designated as "TS760" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 12740:



Rhinestone Jewelry Design No. 12740 U.S. Registration No. VA 1-638-809



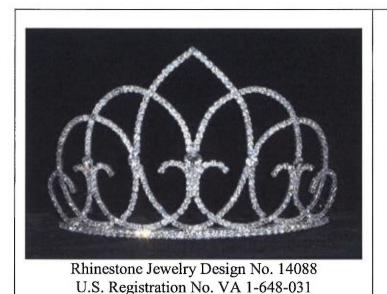
(e) A product designated as "TS765" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 12742:



Rhinestone Jewelry Design No. 12742 U.S. Registration No. VA 1-638-818



(f) A product designated as "TS764" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 14088:



Crystal Crown, Inc. Product TS764

(g) A product designated as "TS625" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 15203:



Rhinestone Jewelry Design No. 15203 U.S. Registration No. VAu 998-999

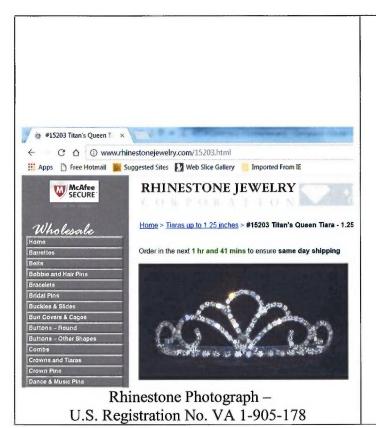


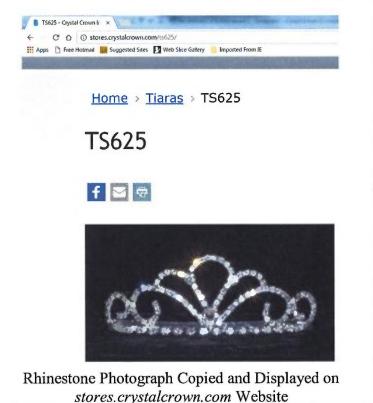
Crystal Crown, Inc. Product TS625

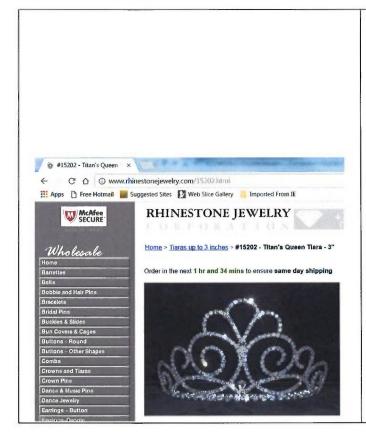
(h) A product designated as "TS740" that unlawfully bears, and infringes Rhinestone's registered copyright in, Jewelry Design No. 15202:

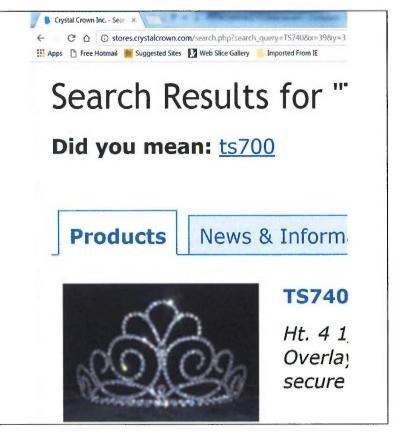


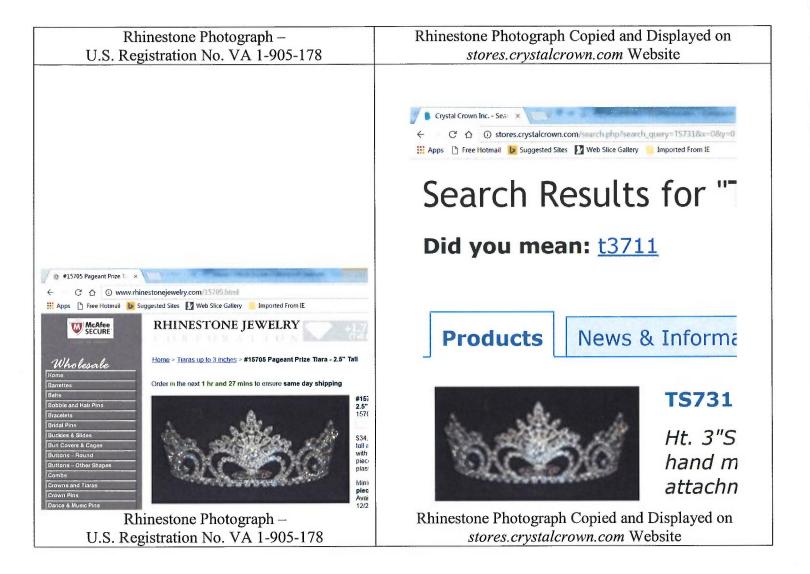
35. Upon information and belief, Defendants have taken, misappropriated and copied at least three original copyrighted photographs (the "Rhinestone Photographs") from Rhinestone's website <u>rhinestonejewelry.com</u>, and have reproduced and displayed the Rhinestone Photographs on Defendants' competing website <u>stores.crystalcrown.com</u>:











- 36. On July 27, 2016, followed up on November 10, 2016, Rhinestone formally notified Crystal Crown Inc. that it was infringing Rhinestone's rights and demanded that Defendants cease and desist from further infringement. Defendants have failed to do so.
- 37. The acts of Defendants described above were committed without the permission, license or consent of Rhinestone.
- 38. Upon information and belief, the acts of Defendants described above were committed with knowledge or in reckless disregard of Rhinestone's exclusive rights in the Rhinestone Designs.

# **CLAIM FOR RELIEF** (Copyright Infringement)

- 39. Rhinestone repeats and realleges the assertions contained in paragraphs 1 through 39 above.
- 40. Rhinestone is the author of, and sole proprietor of all right, title and interest in and to the copyrights in, each of the Rhinestone Designs and Rhinestone Photographs. Under 17 U.S.C. § 106, Rhinestone has the exclusive right to reproduce, distribute, publicly display and prepare derivative works based on the Rhinestone Designs and Rhinestone Photographs.
- 41. As alleged above, Defendants have infringed the copyrights in each of the Rhinestone Designs by unlawfully importing or causing to be imported, publicly displaying, and promoting, selling and distributing products bearing designs that are copied from, and substantially similar to protected expression in, the Rhinestone Designs.
- 42. As alleged above, Defendants have infringed the copyrights in each of the Rhinestone Photographs by unlawfully copying, reproducing and publicly displaying the Rhinestone Photographs on their competing website <u>stores.crystalcrown.com</u>.
- 43. Defendants' infringements are willful in that they are committed with knowledge or in reckless disregard of Rhinestone's exclusive rights in the Rhinestone Designs and the Rhinestone Photographs.
- 44. Rhinestone is entitled to recover from Defendants its actual damages as well as the profits of Defendants attributable to each of the infringements and not taken into account in computing actual damages, pursuant to 17 U.S.C. § 504(b); or, at Rhinestone's election, an award of statutory damages pursuant to 17 U.S.C. § 504(c) with respect to each of the

Rhinestone Designs and Rhinestone Photographs infringed by Defendants that was registered prior to the commencement of Defendants' infringements under 17 U.S.C. § 412.

- 45. Rhinestone is also entitled to recover its costs and attorneys' fees from Defendants pursuant to 17 U.S.C. § 505.
- 46. As a result of Defendants' copyright infringements, Rhinestone has suffered, and will continue to suffer, irreparable injury not fully compensable in monetary damages, and is therefore entitled to an injunction enjoining Defendants from engaging in their infringing activities.

# WHEREFORE, Rhinestone prays that the Court:

- Find that Defendants have willfully infringed Rhinestone's copyrights in the Rhinestone Designs and the Rhinestone Photographs;
- 2. Preliminarily and permanently enjoin Defendants, their officers, agents, employees, and related companies, and all persons acting for, with, by, through, or under them, from manufacturing, copying, reproducing, importing, distributing, advertising, promoting, offering for sale or selling products or articles bearing any design identical or substantially similar to any Rhinestone Design, and from copying, reproducing and/or publicly displaying the Rhinestone Photographs;
- Order the impoundment and destruction of the infringing products under 17
   U.S.C. § 503;
- 4. (a) Award to Rhinestone, pursuant to 17 U.S.C. § 504(c), its actual damages incurred as a result of Defendants' acts of copyright infringement, and all profits Defendants realized as a result of such unlawful acts, in amounts to be determined at trial; or

- (b) In the alternative, award to Rhinestone, at its election, statutory damages pursuant to 17 U.S.C. § 504(c);
- 5. Award to Rhinestone, pursuant to 17 U.S.C. § 505, its costs and attorneys' fees incurred as a result of Defendants' unlawful acts; and
- 6. Grant such other and further relief as the Court deems necessary and proper under the circumstances.

Dated: New York, New York January 11, 2017

Respectfully submitted,

COWAN, LIEBOWITZ & LATMAN, P.C.

Bv:

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